

NATIONAL RAILROAD PASSENGER CORPORATION

BOARD OF DIRECTORS

MINUTES OF MEETING

MARCH 22, 2018

The Board of Directors of the National Railroad Passenger Corporation (Amtrak) met in the Board Room of the Corporation's headquarters located at 1 Massachusetts Ave., N.W., in Washington, D.C. on Thursday, March 22, 2018.

Board Members participating in the meeting were Anthony Coscia (Board Chairman), Richard Anderson (President & CEO, non-voting), Yvonne Burke, Thomas Carper, Albert DiClemente, Derek Kan (Undersecretary for Policy, U.S. Department of Transportation) and Jeffrey Moreland.

Paul Nissenbaum (FRA Associate Administrator) participated in the meeting.

Eleanor D. Acheson (Executive Vice President, Chief Legal Officer, General Counsel & Corporate Secretary), William N. Feidt (Executive Vice President, Chief Financial Officer), Stephen Gardner (Executive Vice President, Chief Commercial Officer), Ken Hylander (Executive Vice President, Chief Safety Officer), Scot Naparstek (Executive Vice President, Chief Operating Officer), and D.J. Stadtler (Executive Vice President, Chief Administration Officer) participated in the meeting.

Darien Flowers (Special Assistant to the Undersecretary for Policy, U.S. Department of Transportation), Phil A. Hancock (Senior Assistant Corporate Secretary), and Justin Meko (Vice President, Safety Compliance & Training) attended the meeting.

Mr. Coscia chaired the meeting and called it to order at 7:30 a.m. The minutes were recorded by Ms. Acheson and Mr. Hancock.

RESOLUTIONS WITH RESPECT TO SAFETY MANAGEMENT AND POSITIVE TRAIN CONTROL

Mr. Hylander led a discussion on the implementation of a Safety Management System (SMS). He discussed the safety culture, regulatory requirements, and he provided the Board with an assessment of the current situation within the Corporation. Mr. Hylander explained that there are opportunities for safety improvements in on-board safety technology, human performance, employee relationships related to safety, organizational interfaces and coordination.

Mr. Coscia directed the Board's attention to the resolutions with respect to the Safety Management System (SMS) and Positive Train Control (PTC). A discussion ensued regarding amendments to the resolutions and Mr. Hylander, Mr. Anderson, Mr. Meko, and Ms. Acheson responded to questions.

After discussion, upon a motion made by Mr. DiClemente and seconded by Mr. Moreland the Board voted to adopt the following resolutions:

WHEREAS, The Board of Directors, the President and CEO, the Executive Leadership Team and all Amtrak personnel are committed to making Amtrak the safest passenger railroad in the nation and to achieve the goal of "every trip a safe trip" operation by taking two actions: (i) Adopting a safety management system ("SMS") for Amtrak, and (ii) Implementing Positive Train Control ("PTC") on all Amtrak rights of way and working with host railroads and the Federal Railroad Administration ("FRA") to drive PTC implementation across the Amtrak system; and

WHEREAS, The SMS philosophy and approach have fundamentally changed and materially improved safety culture and safety records all across the transportation industry; and

WHEREAS, Amtrak intends to be the first railroad to develop an SMS program and the first railroad to practice the basic principles of SMS in our FRA approved System Safety Plan ("SSP"); and

WHEREAS, PTC should be the safety standard for all passenger rail operations; and

WHEREAS, For any right of way over which Amtrak operates that does not have fully operable PTC by the regulatory deadline whatever the reason, Amtrak will in the near term use SMS risk assessment processes to

identify risk and mitigation conditions before deciding whether to operate or not operate; and

WHEREAS, Amtrak is on schedule to implement PTC and be in full compliance with all PTC requirements, conditions and schedules set or administered by the FRA; therefore, be it

RESOLVED, That the Board of Directors fully endorses SMS as core to the safety program for Amtrak and having SMS principles frame Amtrak's SSP; and

FURTHER RESOLVED, That the Board of Directors directs the President and CEO to provide all resources required and to take any other actions necessary to develop and implement an SMS based safety program for Amtrak, as soon as possible this year; and

FURTHER RESOLVED, That the Board of Directors fully endorses the safety efficacy of PTC and concurs that PTC should be the safety standard for all Amtrak passenger rail operations; and

FURTHER RESOLVED, That the Board of Directors fully endorses the application of SMS risk assessment processes to make operating decisions with respect to Amtrak passenger railroad operations in the event of any permanent or temporary non-PTC territory; and

FURTHER RESOLVED, That the Board of Directors fully endorses the statements of the President and CEO in Congressional testimony and elsewhere about the imperative of PTC and that Amtrak will become fully PTC compliant or implement equivalents to PTC, and authorizes the President and CEO to provide all resources and to take any other actions necessary to bring Amtrak to full PTC compliance or its equivalent; and

FURTHER RESOLVED, That the Board of Directors authorizes and directs the President and CEO to take all necessary steps to coordinate PTC implementation with the FRA, Amtrak's host railroads and Amtrak's tenant railroads and, for non-PTC equipped right of way, implement additional technologies and processes, to ensure safe passenger service by Amtrak and commuter operations on the Northeast Corridor and across the nation.

(5-0-1) (Mr. Kan abstained.)

At 8:50 a.m., Mr. Meko left the meeting and the Board took a brief break.

At 9:05 a.m., Chairman Coscia reconvened the meeting.

Marie Corrado (Senior Director, Gateway Program) joined the meeting.

GATEWAY UPDATE

Mr. Gardner provided the Board with a Gateway Program update. He discussed the FY18 work plan and funding schedule. He said that there were three major elements of focus, the continuation of the Hudson Yards program, the acquisition of property necessary for the Hudson Tunnel program, and the construction of the Portal Bridge. Mr. Gardner said that the ability to advance these projects depends on Amtrak's ability to continue its partnership with New York, New Jersey, and the U.S. Department of Transportation. The Board reviewed the Gateway update and Mr. Gardner responded to questions.

At 9:20 a.m., Ms. Corrado left the meeting.

ANNUAL GRANT AGREEMENT

Mr. Gardner provided the Board with an Annual Federal Grant Agreement overview. He said that the memo included in the March board book provides an outline of the annual federal grant agreement process, components, and highlights recommendations to help guide the negotiations between Amtrak and the FRA for future terms and conditions. Mr. Gardner added that as a result of the Corporation's delegations of authority, the Board will be asked to consider the specifics of the agreement before it is executed.

At 9:25 a.m., Ildefonso Burgos (Assistant Vice President, Engineering Project Delivery), Max Johnson (Senior Director, State Policy & Governance), Andy Keefe (Assistant Vice President, Engineering Maintenance), Joe McHugh (Vice President, State Supported Services

Business Development), Jim Richter (Assistant Vice President, Engineering & Design), Ray Verrelle (Deputy Chief Engineer) and Gery Williams (Vice President, Chief Engineer) joined the meeting.

ENGINEERING UPDATE

Mr. Williams and Mr. Keefe presented the Engineering FY18 production report. Mr. Williams said that significant improvements have been made to Amtrak's engineering equipment maintenance facilities and that work has progressed on heavy equipment overhauls, tie-timber-rail improvements, training, and efforts to address ride quality issues. Mr. Williams added that the Corporation was within 96% of schedule YTD with the adjustments in scope that had to be made. He pointed out that the major capital improvements and capital maintenance projects face risks due to Brotherhood of Maintenance of Way Employees (BMWE) work rules, difficulties in obtaining uninterrupted track time, and a shortage of reliable equipment. A discussion ensued regarding the risks, and Mr. Williams, Mr. Keefe, and Mr. Anderson responded to questions. After discussion, it was agreed that the Engineering department would present the Board with a request to purchase additional equipment ahead of the May 2018 meeting.

At 10:05 a.m., Mr. Burgos, Mr. Keefe, Mr. Richter, Mr. Verrelle, and Mr. Williams left the meeting.

STATE SUPPORTED STRATEGY REVIEW

Mr. McHugh discussed Amtrak's State Supported business line strategy. He said that State Supported short distance corridors represent the future of the national network in that its service characteristics align with Amtrak's statutory goals because it is a competitive product and that it has the greatest potential for growth. Mr. McHugh added that the strategy going forward would be to continue building relationships with existing state partners, incrementally improve the cost sharing formula, convert appropriate long-distance routes to state-supported

corridors, and to develop new corridors. The Board reviewed the State Supported strategy and Mr. McHugh and Mr. Anderson responded to questions.

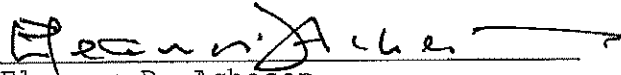
At 10:40 a.m., Mr. Johnson, Mr. Kan, and Mr. McHugh left the meeting.


FUTURE NATIONAL NETWORK DISCUSSION

Mr. Gardner and Mr. Anderson led the Board in a discussion regarding the future of the Amtrak national network.

ADJOURNMENT

There being no further business before the Committee, the meeting adjourned at 12:40 p.m.


Eleanor D. Acheson
Corporate Secretary


Phil A. Hancock
Senior Assistant Corporate Secretary